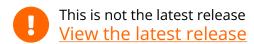


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Jobs in Australia methodology

Reference period 2011-12 to 2016-17

Released 1/08/2019

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Scope

This publication provides information about the number and nature of filled jobs in Australia, the people who hold them, and their employers.

A job is a relationship between an employed person and their employing enterprise. This can be a relationship between an employee and an employer or between an owner manager of an unincorporated enterprise and their own enterprise. Owner managers of incorporated enterprises have not been identified in the underlying data and are included in the employee population.

It includes information about multiple job-holding and employment in local areas.

The job counts in this publication differ from the filled job estimates from other data sources such as the Australian Labour Account and the Labour Force Australia. The Jobs in Australia data sourced from the Linked Employer Employee Dataset (LEED) provides insights into all jobs held throughout the year, while the Labour Account data provides the number

of filled jobs at a point-in-time each quarter, and Labour Force Survey data measures the number of people employed each month.

Geographic coverage

Data is provided for over 2,000 regions, at the SA4, SA3, SA2, LGA and GCCSA levels. Aggregate data is available by state and territory and national estimates.

A graphical representation of the estimates for each state and territory is available by local government area based on user demand and stakeholder feedback. These graphical representations are also available by SA2 if requested (mailto:labour.statistics@abs.gov.au).

Sample size

Jobs in Australia is a rich dataset which includes 16 million records each financial year enabling data to be provided at a national, state & regional level. The data contains annual information from 2011-12 through to 2016-17, and contains over 100 million individual records.

Collection method

The statistics in this publication are produced from a Linked Employer Employee Dataset (LEED), using Australian Tax Office administrative data linked to ABS Business Longitudinal Analytical Data Environment

Changes in the series

Data in previous years have not been revised.

New tables (7-14) contain graphical representation of the estimates for each state and territory by local government area. These graphical representations are also available by SA2 if requested.

Concepts sources and methods

The data in this release are compiled from the recently developed Linked Employer Employee Dataset (LEED). The LEED analyses more than 100 million tax records over six consecutive years between 2011-12 and 2016-17, and provides information for over 2,200 different regions based on a person's residence.

The LEED is a cross-sectional database. It is comprised of a person file, a job file, and an employer file. These are discussed in more detail below.

Employed persons are linked to employers via jobs. A person can have a number of jobs throughout the year with one or many employers, some of which may be held concurrently

with others.

The LEED includes person and employer level information provided to the ABS by the ATO and the Registrar of the Australian Business Register (ABR).

Data sources

The LEED includes tax data supplied by the ATO to the ABS under the Taxation Administration Act 1953, which requires that such data is only used for the purpose of administering the Census and Statistics Act 1905. Any discussion of data limitations or weaknesses is in the context of using the data for statistical purposes, and is not related to the ability of the data to support the ATO's core operational requirements.

The tax forms and instructions that are used to collect the underlying tax data used in this publication can be found on the <u>ATO website (https://www.ato.gov.au/)</u>. Information about business registration can be found on the <u>ABR website (https://abr.gov.au/)</u>.

The LEED includes ABR data supplied by the Registrar to the ABS under A New Tax System (Australian Business Number) Act 1999, which requires that such data is only used for the purpose of carrying out functions of the ABS. Any discussion of data limitations or weaknesses is in the context of using the data for statistical purposes, and is not related to the ability of the data to support the ABR's core operational requirements.

LEED includes data from the Business Longitudinal Analysis Data Environment (BLADE). The BLADE combines ABS Business Register data, business tax data and information from ABS surveys with data about the use of government programs. Survey and program data is not included in the cross-sectional sub-set used in this publication. Information from the ABS' business profiling process is included on the BLADE and used in the compilation of the LEED.

Legislative requirements to ensure privacy and secrecy of these data have been followed. In accordance with the Census and Statistics Act 1905, results have been confidentialised to ensure they are not likely to enable identification of a particular person or organisation. All personal information is handled in accordance with the Australian Privacy Principles contained in the Privacy Act 1988.

The LEED includes information about all employers recorded in the BLADE and Australia's personal income tax data sets, regardless of their residency. It also includes all sources of income, regardless of whether the income provider resides within Australia's economic territory.

The LEED includes data for all persons who either submitted an individual tax return (ITR) or individuals who had a payment summary issued by an employer and then remitted to the

ATO. Employees who did not submit a tax return and have not provided their Tax File Number to their employer will not appear in the LEED. Owner managers of unincorporated enterprises (OMUEs) who did not submit an ITR are also excluded.

The ABS receives data from the ATO approximately 16 months after the end of the financial year. This data then requires processing time to construct BLADE and to produce a coherent and clean persons dataset. These factors contribute to the long delay between the end of the financial year and the publication of statistics from the LEED.

Because taxation data may be submitted to the ATO after the ITR cut-off date, it may not be available at the time the ATO provides data to the ABS and is only added in future provisions. As such, annual data in the LEED can become more complete over time. This is estimated to have a slightly greater impact on the self-employed population than on the larger employee and employer populations, and a negligible impact overall.

The Australian Bureau of Statistics (ABS) acknowledges the continuing support of the Australian Tax Office (ATO) in compiling these statistics.

The person file

Each cross-sectional person file contains data for all persons who either submitted an ITR or who were identifiable on a payment summary in the reference year. Each record includes de-identified demographic and geographic data, and aggregate income information.

Employed persons may be either employees (including owner manager of incorporated enterprises (OMIEs)), owner managers of unincorporated enterprises (OMUEs), or both.

Employees are identified by the presence of aggregate employee income and at least one linked employee job.

Employees who have not submitted an ITR but who have provided their Tax File Number to their employer are imputed from PAYG payment summary data.

OMUEs are identified by the presence of any of the own unincorporated business income types and a linked OMUE job.

Tax lodgers who are not employees or owner managers are included on the person file to support statistical analysis that requires a more complete view of the tax lodger population.

The employer file

The employer file contains all employers in a job relationship with someone on the person file at any point during the reference year.

An economic units model is used to describe the characteristics of employers and the structural relationships between related organisational units. This model defines organisations by enterprise group, type of activity, location and legal entities.

The ABS profiles large, complex and economically significant organisations, and structures them to accord with the economic units model. Legal entities that are under common ownership or control make up an enterprise group, and are included in the profiled population. Legal entities are usually represented by a single Australian Business Number (ABN). Enterprise groups are broken up into one or multiple type of activity units, each of which represents their economic activity within a specific industry subdivision. The remainder of ABN registrants are assumed to have simple structures and are regarded as a single legal entity. These units are known as the non-profiled population. The two populations are mutually exclusive and cover all organisations in Australia which have registered for an ABN.

For further information on the economic units model, refer to <u>Australian System of National Accounts: Concepts, Sources and Methods (https://www.abs.gov.au/ausstats/abs@.nsf /PrimaryMainFeatures/5216.0?OpenDocument)</u> (cat. no. 5216.0, paragraphs 4.25 to 4.37).

In the LEED, an employer is any legal entity in the non-profiled population that is linked to a job; and any type of activity unit in the profiled population that is linked to a job.

Most employers are present in BLADE, however the LEED employer population also includes unincorporated entities, which are identified in personal income tax data and are not otherwise included in BLADE or cannot be identified in BLADE. Industry and several other employer variables are not available for these unincorporated entities.

The jobs file

The jobs file is a complete list of the job relationships held at any time during the reference year.

The jobs file is constructed primarily from PAYG payment summary data. PAYG payment summaries describe the payments made to an individual by an employer within a financial year. Payment period start and end dates are included with this information. Conceptually, payment summary data should include most employee/employer job relationships. OMUE jobs are derived from ITR data and added to the jobs file, some of these link to businesses in BLADE.

In some cases a synthetic employee job record has been created based on information in the person file. This has occurred when a person has recorded wage or salary information that cannot be identified in payment summary data. In some cases an employee job may not be able to be linked to an employing organisation due to recording errors or missing information.

A person can hold several jobs during the year, either concurrently (as a multiple job-holder) or non-concurrently. For a person who is an employee of several employers, each relationship is listed as a separate job. While a person may own and manage more than one enterprise, due to data limitations only one self-employment job can be recorded for any OMUE. In the LEED, an OMUE can hold other jobs as an employee.

PAYG payment summary start and end dates are used to determine the start and end of a job relationship, to identify concurrent job-holding, and to determine the duration of the job. These dates are known to have high measurement error rates, which are likely to inflate job and concurrent job counts. Some of this error may be due to misinterpretation and recording errors, but it is also expected that payroll system and report design have an influence.

Some treatments have been applied to address over counts of jobs or concurrent jobholding, including:

- in cases where a person has received several PAYG payment summaries from the same employer, and the time between the end of the first payment summary and the start of the next payment summary is 31 days or less, this is counted as a single job.
- in cases where a person has received several PAYG payment summaries from different employers, they are only considered to be concurrent if they overlap by more than 31 days.
- in cases where a person has more than 10 jobs, those within the same industry subdivision are counted as a single job.

These treatments are aimed at minimising the impact of administrative errors while also reflecting a reasonably accurate view of differing job structures.

The LEED jobs file does not capture voluntary jobs and unpaid contributing family worker jobs.

LEED integration method and results

ABS data integration practices comply with the High Level Principles for Data Integration Involving Commonwealth Data for Statistical and Research Purposes.

The LEED uses deterministic integration. Jobs are linked to legal entities using ABNs.

Where a legal entity is part of the profiled population, the assignment of an employed person to a type of activity unit may be modelled. This occurs when the legal entity is part of an enterprise group with more than one type of activity unit.

Modelled assignment to type of activity units is based on a logistic regression model developed using 2016 Census data. The model references independent variables common to both Census and personal income tax data, including sex, age, occupation, and region of usual residence. These are used to predict the industry of employment, which conceptually aligns to a type of activity unit.

Where an employee has multiple job relationships with the same reporting ABN in an enterprise group, each job relationship is assigned to the same type of activity unit.

Based on the model, each job record is assigned a probability of being in any of the type of activity units present in the employing enterprise group. Referencing these probabilities, iterative random assignment is undertaken until employment benchmarks are met. Benchmarks are based on Quarterly Business Indicators Survey (QBIS) data. Where a unit falls out of scope of QBIS, BLADE employment levels are substituted where possible, otherwise no benchmarking is done.

Quality note for selected variables

Main job

In this publication, the main job held by a person is the job in which they received the highest employment income. Using income or earnings to identify a person's main job differs from ABS household surveys, which define a person's main job as the job in which the most hours are usually worked.

Multiple job holders and concurrent jobs

In this publication, multiple job holders are persons who have two or more concurrent jobs at any point during the financial year. Due to data limitations, concurrency cannot be determined for self-employment jobs and they have been excluded from concurrent job counts.

The tendency for employees who leave a job during the year to be retained in pay systems until the end of the financial year results in some jobs being incorrectly identified as concurrent.

Employed persons and their status in employment

Any person with one or more job at any point during the year is considered to be an employed person. Employed persons can be employees (including OMIEs), OMUEs, or both.

An employee is an employed person who holds a job with a public or private employer and receives remuneration in wages, salary, on a commission basis (with or without a retainer), tips, piece rates, or payment in kind. Employees in this publication are identified through

the receipt of any of these types of payments as recorded on an ITR or on a PAYG payment summary.

OMIEs have not been identified separately to employees and so are included in employee counts.

Attributed personal services income is also counted as employee income, however data limitations mean that employer relationships for employees with this type of income are not able to be established.

Employees include owner managers of incorporated enterprises. Incorporated enterprises are business entities registered as a separate legal entity to its members or owners (also known as limited liability companies). These employees cannot be separately identified in this publication.

OMUEs are identified through ITRs, where a person has recorded business or personal services income (other than attributed personal services income). Where the person has recorded the ABN of their unincorporated enterprise, this may be able to be linked to a BLADE record. In cases where no BLADE record is identified, an employer record is created from the information on the ITR. These records contain limited information.

Employment income

The conceptual definition of employment income used in this publication is a component of personal income as described in <u>Standards for Income Variables (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1287.0)</u> (cat. no. 1287.0), and is based on the international standards agreed by the International Conference of Labour Statisticians which are explained in the <u>Canberra Group Handbook on Household Income Statistics, Second Edition (http://www.unece.org/index.php?id=28894)</u> (2011).

Employment income in this publication is limited to income that is conceptually consistent with the standard, but has some limitations as a result of using administrative data. A more complete and conceptually accurate view of personal income from all sources is published in <u>Household Income and Wealth (/statistics/economy/finance/household-income-and-wealth-australia/2017-18)</u> (cat. no. 6523.0).

Adjusted employee income per job

Adjusted employee income per job is a supplementary view of income per job that accounts for the length of time an employee job was held. Because many jobs are held for less than the entire financial year, per job employee income is low relative to employee income. Adjusted employee income per job is designed to partially correct this by emulating an 'annual salary' for each job.

For example, an employee who earns \$50,000 per year but changes jobs half way though the year may have an employee income of \$50,000 but a per job employee income of \$25,000 (for both jobs, assuming they are identical). Their Adjusted employee income per job will be \$50,000, which is the assumed amount each job would have paid, should the employee have held it for the entire year.

Adjusted employee income per job is calculated by dividing regular payments (the following items on an individual non-business payment summary: 'gross payments', 'total allowances', 'reportable fringe benefits amount', and 'reportable employer superannuation contributions') received on a per job basis by the number of days the job was held. This figure is then multiplied by the number of days in the reference year. Irregular payments ('lump sum A and B') are then added to this figure.

Adjusted employee income per job is available for employee jobs only. It is not calculated for jobs held for only 1 day or for any jobs for which duration of job cannot be calculated.

Occupation in main job

Occupation in main job is recorded for each employee in reference to their main job only. This is reported by an employee or their tax agent in relation to the occupation of the job with the highest wage or salary. The ATO code reported occupations according to the Australian and New Zealand Standard Classification of Occupations, 2013 (https://www.abs.gov.au/ANZSCO) (ANZSCO) (cat. no. 1220.0) with some minor exceptions. Supplementary coding used by the ATO is subsequently concorded to ANZSCO by the ABS. Occupation in main job cannot be determined for a person who is only employed as an OMUE. In cases where the person's main job is as an OMUE but where they have one or more secondary employee jobs, occupation will refer to the main employee job.

Industry

For employers in the non-profiled population, industry information in LEED is based on information provided by the registrant to the Australian Business Register. This is usually completed at the time of registration and may not be updated.

For employers in the profiled population, industry is based on information collected by the ABS. Industry is determined through the profiling process for each major activity in which a business operates and is recorded at the type of activity level. Profiling information is back and forward-cast in BLADE, and this impacts on the industry information in this publication.

Geography

All geographic variables are based on a person's home address as reported on their ITR form. Addresses are coded to the <u>Australian Statistical Geography Standard</u>

(https://www.abs.gov.au/websitedbs/d3310114.nsf/home/australian+statistical+geography+standard+(asgs)).

If a geography variable is missing on the ITR, if possible it is imputed from the individual's most recent PAYG payment summary.

Confidentiality

All personal income tax statistics were provided to LEED analysts in de-identified form with no home address or date of birth. Addresses were coded to the Australian Statistical Geography Standard and date of birth was converted to an age at 30 June of the reference year prior to data provision.

To minimise the risk of identifying individuals in aggregate statistics, perturbation has been applied. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory technique for avoiding the release of identifiable statistics, while maximising the range of information that can be released. These adjustments have a negligible impact on the underlying pattern of the statistics. Some cells have also been suppressed due to low counts.

Further information

For further information about these and other statistics, please contact the National Information and Referral Service on 1300 135 070.

Technical note - Jobs in Australia: publication tables

The following table outlines the content of each publication table from Jobs in Australia.

Table number	Table name	Statistics	Detailed contents
Table 1	All lobs	Number of jobs	Table 1.1 contains the number of jobs and median employment income per job by sex, classified by the following characteristics; age group, industry, industry sector, type of legal organisation, employment size, job duration.
Table 1	All Jobs	Median employment income per job	Tables 1.2 to 1.5 contain the number of jobs and median employment income per job by sex, classified by State, Greater Capital City Statistical Area (GCCSA), Statistical Areas (SA4, SA3 & SA2).
		Number of employee jobs	Table 2 contains the number of employee jobs and median employee income per job by sex, classified by the following characteristics; age group, industry, industry sector, type of legal organisation, employment size, job duration.
Table 2	Employee Jobs	Median employee income per job	Note: Owner Managers of Unincorporated Enterprises (OMUE) are excluded from employee Jobs.
		Median adjusted employee income per job	Tables 2.2 to 2.5 contain data on employee jobs and median employment income per job by sex, classified by State, Greater Capital City Statistical Areas (GCCSA), and Statistical Areas (SA4, SA3 & SA2).
Table 3	Employee Jobs - Detailed Industry	Number of employee jobs Employee income per job	Table 3 contains data on employee jobs and median employee income per job, classified by industry at Statistical Area level 2 (Tables 3.1 to 3.5) and industry sub division at Statistical Area level 4 (Tables 3.6 to 3.10).
		Number of multiple job holders	Table 4.1 contains data on multiple job holders by maximum concurrent jobs, Greater Capital City Statistical Areas (GCCSA), age
Table 4	Multiple Job Holders	Median employee income Median employee income in first job	group, industry of first concurrent job, classified by sex, and median employment income. Tables 4.2 to 4.6 contain data on multiple job holders industry of first
		Median employee income in second job	concurrent job classified by industry of second concurrent job and median employment income.
		Number of Owner Managers of Unincorporated Enterprises (OMUE)	Table 5.1 contains data on OMUE by age group, geography and total
Table 5	Owner Managers of 5 Unincorporated Enterprises	Median employment income	jobs held during the year, classified by sex.
		Number of OMUE jobs	Table 5.2 contains data on OMUE by industry and employment size, classified by sex and median own unincorporated business income.
		Median own unincorporated business income per job	
Table 6	Employed Persons	Employed persons	Table 6.1 contains data on employed persons by age group, occupation of main job, industry of main job, employment status, total jobs held, multiple job holder status, classified by sex and median employment income.
Table 0	Employed Persons	Median employment income	Tables 6.2 to 6.5 contains data on the number of employed persons and median employment income by sex, classified by State, Greater Capital City Statistical Areas (GCCSA), and Statistical Areas (SA4, SA3 & SA2).
	State and Territory - Local Government Area Spotlights	Number of jobs	
Tables		Employment size	
Tables 7 to 14		Employed persons	Detailed statistics at Local Government Area level.
		Industry	
		Occupation	

Technical note - ABS labour statistics: a broad range of information

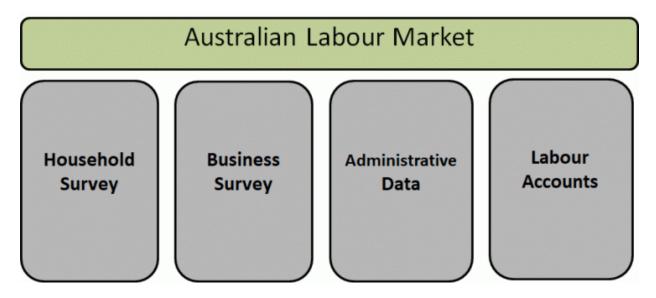
Labour statistics are some of Australia's most important economic and social statistics. Put simply, they provide information about people and their participation in the labour market, their success in finding employment, their earnings and other benefits, their type of work, their working hours and conditions.

Given the importance of high quality information on the Australian labour market, the ABS produces a broad range of labour statistics, drawn from a wide range of different sources. Some of these sources are very well known, such as the monthly Labour Force Survey, but others are less well known – particularly new collections like the annual Jobs in Australia and the quarterly Labour Account.

A simple way of visualising this is to consider that ABS labour statistics are drawn from four key "pillars" of data, each of which is a bit different, but which provide complementary insights into the labour market.

Each of these pillars – the two traditional sources of household and business surveys, and the two more recent pillars of administrative data based statistics and Labour Account - provides important and unique insights to enable Australians to better understand their labour market.

Figure 1. The four pillars of ABS labour statistics



Household surveys

A household survey approaches individual households to complete questions about their individual, family or household circumstances.

The key household survey that provides vital information about Australia's labour market is the Labour Force Survey, and its related supplementary surveys.

Business surveys

Business surveys collect a broad range of information from businesses, including their performance, financial position or about jobs and employees.

Key business surveys with a labour market focus include Job Vacancies, Employee Earnings and Hours Average Weekly Earnings and the Wage Price Index.

Administrative data

Administrative data refers to information maintained by governments and other entities that is made available to the ABS for statistical purposes. It includes data used for registrations, transactions and record keeping, usually during the delivery of a service.

The ABS publishes employment information from the Linked Employer Employee Dataset (LEED), using Australian Tax Office information and ABS data. As a result, the LEED includes more than 100 million tax records over six consecutive years between 2011-12 and 2016-17, and provides information for over 2,200 different regions based on a person's usual residence.

Labour Account

The Labour Account brings together data from separate administrative, business, and household sources, adjusting and confronting the various sources until a coherent picture of the labour market is established. It provides data on the number of employed persons, the number of jobs, hours worked and income earned for each industry. It provides the best labour market estimates for the 19 industry divisions each quarter and 86 industries annually.

Which data source should you be using?

Often there is only a single statistical data source on the ABS website that will include the information that you are after. However, for many labour market topics it is often the case that the ABS produces multiple statistics, each drawn from a different data source to enable different types of analysis. They provide important, complementary economic and social insights into the labour market, which is large, complex and dynamic.

It is therefore important to be guided by what you are looking to understand about the labour market. Is it to understand a topic where:

• demographic characteristics are important or it may related to an activity outside of

- employment? Household surveys are often useful for this.
- specific employer or payroll information is important? Business surveys are often useful for this.
- detailed sub-population or geographic information is important? This is usually best sourced from administrative data, or the five-yearly Census.
- a comprehensive 'best estimate' of key labour market indicators (based on reconciled information from all of the available data sources) is important? The Labour Account Is designed to provide this.

For example, in seeking to understand how many people are employed in jobs in Australia, you could use statistics from:

- Monthly Labour Force which provides a timely indicator on changes in employment, unemployment and underemployment, including analysis by personal characteristics such as sex, age, occupation and employment status.
- The quarterly Labour Account which is the best source of headline information on employment by industry. It provides an estimate of the number of jobs, hours worked, and associated labour income.
- The annual Jobs in Australia which provides granular information on all the job relationship for more than 2,200 different regions across Australia. This rich dataset is based on more than 100 million individual records which allow for micro-data analysis of the Australian labour market.

Another common example is seeking to understand changes in wages over time, where you could use statistics from:

- Quarterly Wage Price Index which measures changes in the price of labour in the Australian labour market. In a similar manner to the CPI, the WPI follows price changes in a fixed "basket" of jobs and is therefore not affected by changes in quality and quantity of work..
- The twice yearly Average Weekly Earnings which provides data on average wages by industry, which provides insights into compositional changes in earnings over time.
- The two yearly Employee Earnings and Hours which provides detailed data on methods of setting pay, hours paid for and detailed distributional earnings information.
- The annual Characteristics of Employment which provides earnings by detailed sociodemographic and other characteristics.
- The quarterly Compensation of Employees measure in the National Accounts and quarterly measure of labour income in the Labour Account which provide aggregate earnings measures.

Labour data sources

Below is a list of some of the key labour statistics collections, organised into the pillars. In addition to improving the visibility of all of the available labour statistics, the ABS is also exploring how to better organise labour market information around themes and topics. This is being actively explored as part of the design of its new website, which will be launched in

Household surveys

Labour Force, Australia (cat. no. 6202.0) - Monthly (/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release)

<u>Labour Force, Australia, Detailed - Electronic Delivery (cat. no. 6291.0.55.001) – Monthly (/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release)</u>

Labour Force, Australia, Detailed, Quarterly (cat. no. 6291.0.55.003) (/statistics/labour /employment-and-unemployment/labour-force-australia-detailed-quarterly/latest-release) Characteristics of Employment, Australia (cat. no. 6333.0) - Annually (/statistics/labour /earnings-and-work-hours/characteristics-employment-australia/latest-release) Participation, Job Search and Mobility, Australia (cat. no. 6226.0) - Annually (/statistics /labour/employment-and-unemployment/participation-job-search-and-mobility-australia /latest-release)

Education and Work, Australia (cat. no. 6227.0) - Annually (/statistics/people/education/education-and-work-australia/latest-release)

<u>Characteristics of Recent Migrants, Australia (cat. no. 6250.0) – 4 yearly (/statistics/people/people-and-communities/characteristics-recent-migrants/latest-release)</u>

Barriers and Incentives to Labour Force Participation, Australia (cat. no. 6239.0) – 2 yearly (/statistics/labour/employment-and-unemployment/barriers-and-incentives-labour-force-participation-australia/latest-release)

Retirement and Retirement Intentions, Australia (cat. no. 6238.0) – 2 yearly (/statistics/labour /employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release)

Business surveys

<u>Job Vacancies, Australia (cat. no. 6354.0) - Quarterly (/statistics/labour/employment-and-unemployment/job-vacancies-australia/latest-release)</u>

<u>Industrial Disputes, Australia (cat. no. 6321.0.55.001) - Quarterly (/statistics/labour/earnings-and-work-hours/industrial-disputes-australia/latest-release)</u>

<u>Average Weekly Earnings (cat. no. 6302.0) – 6 monthly (/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release)</u>

Employee Earnings and Hours, Australia (cat. no. 6306.0) – 2 yearly (/statistics/labour /earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release)

<u>Wage Price Index, Australia (cat. no. 6345.0) - Quarterly (/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/latest-release)</u>

Employment and Earnings, Public Sector, Australia (cat. no. 6248.0.55.002) - Annually

(/statistics/labour/employment-and-unemployment/employment-and-earnings-public-sector-australia/latest-release)

<u>Australian Industry (cat. no. 8155.0) - Annually (/statistics/industry/industry-overview /australian-industry/latest-release)</u>

<u>Labour Costs, Australia (cat. no. 6348.0) – 5 yearly (/statistics/economy/finance/labour-costs-australia/latest-release)</u>

Administrative data

Jobs in Australia (cat. no. 6160.0) - Annually

Estimates of Personal Income for Small Areas (cat. no. 6524.0.55.002) - Annually

(https://www.abs.gov.au/ausstats/abs@.nsf/mf/6524.0.55.002)

Labour Account

<u>Labour Account Australia (cat. no. 6150.0.55.003) - Quarterly (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6150.0.55.003)</u>

The ABS continues to strengthen the suite of labour market statistics, to ensure that Australia can effectively understand how its labour market, economy and society are changing over time and make informed decisions.

Glossary

Show all

Adjusted employee income per job

A supplementary view of income per job that accounts for the length of time an employee job was held. Duration adjusted income divides regular payments by the number of days the job was held, and then multiplies this figure by the number of days in the reference year.

Age

Age of employed person as at 30 June of the reference year.

Australian Bureau of Statistics Business Register

A register of all Australian businesses and organisations maintained by the Australian Bureau of Statistics (ABS) for the purpose of producing statistical frames and business demography outputs. It contains identifying and classificatory data for each business and organisation.

Information to populate the ABS Business Register is largely sourced from the Australian Business Register.

The ABS Business Register consists of two subpopulations, the profiled population and the non-profiled population. The ABS Business Register uses an economic units model to describe the characteristics of businesses and the structural relationships between related businesses.

Australian Business Number

A unique identifier. To be entitled to an Australian Business Number (ABN), an organisation must be one or more of the following:

- a company registered under the Corporations Act 2001
- an entity carrying on an enterprise in Australia
- a government entity
- a non-profit sub-entity for Goods and Services Tax purposes
- a superannuation fund.

A non-resident entity may be entitled to an ABN if they are carrying on an enterprise in Australia and/or, in the course of carrying on an enterprise, the entity makes sales that are connected with Australia.

Australian Business Register

The data store containing details about businesses and organisations that have registered for an Australian Business Number. More information can be found on the <u>ABR website</u> (https://abr.gov.au/).

Business Longitudinal Analytical Data Environment

Combines business tax data and information from ABS surveys with data about the use of government programs. Business Longitudinal Analytical Data Environment (BLADE) contains data on all active businesses from 2001-02 to 2016-17, sourced from:

- Department of Industry, Innovation and Science programs
- the Australian Taxation Office
- Intellectual Property Government Open Data, produced by IP Australia
- ABS surveys, including the Business Characteristics Survey, Economic Activity Survey and the Survey of Research and Experimental Development.

Concurrent job

A job that has an overlap with another job held by the same person of more than 31 days.

Contributing family workers

Persons who work without pay in an economic enterprise operated by a relative. Contributing family worker jobs are not included in this publication.

Duration adjusted employee income per job

See adjusted employee income per job.

Duration of job

The number of days a job was held during the financial year. This is calculated by subtracting the start date of a job from the end date. Duration can not be determined for owner manager of unincorporated enterprise jobs of for employee jobs where start and end dates are unavailable or of insufficient accuracy.

Employed person

Any person with one or more job. Employed persons in this publication can be employees, owner managers of unincorporated enterprises, or both. Employed persons are persons who have employment income in the reference year, excluding those whose employment income is made up entirely of an employment termination payment. Employed persons have one or more jobs on the job file.

Employee

Persons who work for a private or public sector employer and receive pay in the reference period in the form of wages or salaries, a commission while also receiving a retainer, tips, piece rates or payments in kind. In this publication, persons who operated their own incorporated enterprises are also included as employees.

Employee income per job

Employee income received in relation to each job in the financial year. In this publication employee income is limited to income types that are conceptually consistent with the definition of employee income described in Standards for Income Variables (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1287.0) (cat. no. 1287.0), and are available in the underlying dataset.

Employee job

A job for which the occupant receives remuneration in wages, salary, payment in kind, or piece rates. This excludes self-employment jobs held by owner mangers of unincorporated enterprises.

Employer

An organisation with an Australian Business Number that provides employment income to

one or more people.

Employer file

Part of the Linked Employer Employee Dataset, which lists all organisations with an active Goods and Services Tax role identified in the reference year, as listed in the Business Longitudinal Analytical Data Environment; supplemented with a list of unincorporated enterprises identified as generating self-employment income in the personal income tax dataset.

Employment income

Employment income received in the financial year. Includes employee income and own unincorporated business income. In this publication employment income is limited to income types that are conceptually consistent with the definition of employment income described in <u>Standards for Income Variables (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1287.0)</u> (cat. no. 1287.0), and are available in the underlying dataset.

Employment income per job

Employment income received in relation to each job in the financial year.

Employment income per person

Employment income received by employed persons in the financial year, from all jobs worked during that year.

Employment size

The closing stock headcount derived from business activity statements, as presented in the Business Longitudinal Analytical Data Environment.

Employing businesses and organisations are categorised as having:

- 4 or fewer employees
- 5-19 employees
- 20-199 employees
- 200+ employees

The employment sizes are not actual counts of linked employed persons in the underlying data, and cannot be compared to these counts. This is because the number of linked employed persons in the underlying data is a measure for the entire reference year, and not the closing stock.

End date

See start and end dates

Enterprise group

A statistical unit that includes all the Australian operations of one or more legal entities under common ownership and/or control. Multiple legal entities can operate within a single enterprise group, and each enterprise group is broken up into one or more types of activity units.

First concurrent job

The job with the highest employment income that is held concurrently with another job (see second concurrent job). The first concurrent job may also be the main job.

Geography

See Greater capital city statistical area and Statistical area entries. For more information, see the <u>Australian Statistical Geography Standard (ASGS)</u>: <u>Volume 1 – Main Structure and Greater Capital City Statistical Areas, 2016 (https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/871A7FF33DF471FBCA257801000DCD5F?OpenDocument)</u> (cat. no. 1270.0.55.001).

Goods and Services Tax

A tax on most goods, services and other items sold or consumed in Australia. Most business entities are required to register for a Goods and Services Tax (GST) role with the Australian Tax Office (ATO) and report on GST collected and paid. An entity is said to have a GST role if it has registered for GST. The ABS defines the role as active if the business has provided remittances to the ATO within the past five quarters (or three years for annual remitters), otherwise the role is inactive.

Greater capital city statistical area

Greater capital city statistical areas (GCCSAs) are designed to represent the functional extent of each of the eight State and Territory capital cities. They include the people who regularly socialise, shop or work within the city, but live in the small towns and rural areas surrounding the city. GCCSAs are not bound by a minimum population size criterion. GCCSAs are built from SA4s.

Individual tax return

The annual tax return submitted by individuals to the Australian Taxation Office.

Industry

A homogenous grouping of economic activities undertaken to produce goods and services. The Australian and New Zealand Standard Industrial Classification, 2006

(https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup /1292.0Main+Features12006%20(Revision%202.0)?OpenDocument) (cat. no. 1292.0) is used to classify an entity to an industry based on its dominant activity.

Industry division

The broadest grouping of industries within the Australian and New Zealand Standard Industrial Classification. The main purpose of the industry division level is to provide a limited number of categories, which give a broad overall picture of the economy. There are 19 mutually exclusive divisions. For more information see the <u>Australian and New Zealand Standard Industrial Classification</u>, 2006 (https://www.abs.gov.au/ausstats/abs@.nsf /mf/1292.0) (cat. no. 1292.0).

Industry subdivision

The second broadest grouping of industries within the Australian and New Zealand Standard Industrial Classification. Industry subdivisions are built up from industry groups which, in turn, are built up from industry classes. For more information see the <u>Australian and New Zealand Standard Industrial Classification</u>, 2006 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1292.0) (cat. no. 1292.0).

Institutional sector

Institutional sector of each employing business aligns with the Standard Institutional Sector Classification of <u>Australia outlined in Standard Economic Sector Classifications of Australia, 2008 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1218.0)</u> (cat. no. 1218.0).

Job

A relationship between an employed person and their employing enterprise. This can be a relationship between an employee and an employer (an employee job) or between an owner manager of an unincorporated enterprise and their own enterprise (a self-employment job).

A person can have a number of jobs throughout the year, and only some jobs will be held concurrently with others. Similarly, a business can have many job relationships throughout the year, and only some of these will be held concurrently.

Job duration

See duration of job.

Job file

Part of the Linked Employer Employee Dataset, which lists all jobs identified in the reference

year.

Labour force

The Labour Force, also referred to as the current economically active population, is the aggregate of employed and unemployed persons. This gives a measure of the number of people contributing to, or actively looking and immediately available for, the supply of labour at a point in time.

Legal entity

A unit in the ABS economic units model, and usually relates to an Australian Business Number.

In this publication, the legal entity is used to represent employers in the non-profiled population.

Linked Employer Employee Dataset

A Linked Employer Employee Dataset (LEED) is any dataset that integrates information about employers and their employees. The LEED used to compile this publication includes cross-sectional employer, person and job files that integrate personal income tax data with employer information from the Business Longitudinal Analytical Data Environment.

Main job

The main source of employment income for an employed person. This definition differs from other ABS publications such as Labour Force, Australia, and Australian Labour Account, which define the main job as the job in which a person usually works the most hours. An employed person can only have one main job.

Maximum concurrent jobs

The highest number of jobs held by a person at any one point in time. It may be different to the total jobs held during the reference year.

Median employment income per job

A mid-point measure of the employment income received as a result of a single job.

Median employment income per person

A mid-point measure of the sum of employment income received as a result of all jobs held by a person.

Multiple job holder

An employee with two or more concurrent employee jobs at any point during the financial year (see first concurrent job and second concurrent job). Owner manager of unincorporated enterprise jobs are excluded due to the inability to determine the start and end dates of these jobs.

Non-profiled population

The non-profiled population is one of the two employer populations in this publication. Businesses and organisations in the non-profiled population have simple structures and the Australian Business Number (ABN) unit is suitable for statistical purposes. For the non-profiled population, one ABN unit equates to one employer. Most employers are in this group.

Not published (np)

Statistic is not able to be published. This can be to protect the confidentiality of data providers or to prevent misinterpretation of statistics due to poor quality.

Occupation in main job

A collection of jobs that are sufficiently similar in their title and tasks, skill level and skill specialisation, which are grouped together for the purposes of classification. Occupation refers to Major Group as defined by the <u>Australian and New Zealand Standard Classification of Occupations</u>, 2013 (https://www.abs.gov.au/ANZSCO) (cat. no. 1220.0) of the job which the employed person identifies as their main wage or salary job.

Owner-manager of incorporated enterprises (OMIE)

People who work in their own incorporated enterprise, which is a business entity registered as a separate legal entity to its members or owners (may also be known as a limited liability company). In this publication, OMIEs are included in counts of employees.

Incorporated enterprises are further defined in the <u>Standard Economic Sector</u> <u>Classifications of Australia, 2008 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1218.0)</u> (cat. no. 1218.0).

Owner-manager of unincorporated enterprises (OMUE)

A person who operates their own unincorporated enterprise, which does not possess a separate legal identity to that of its owner(s), or engages independently in a profession or trade.

OMUEs can also be referred to as self-employed. The employed population is made up of OMUEs and employees (including owner managers of incorporated enterprises).

Unincorporated enterprises are further defined in the <u>Standard Economic Sector</u> <u>Classifications of Australia, 2008 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1218.0)</u> (cat. no. 1218.0).

Own unincorporated business income per job

Income from self-employment received in the financial year. In this publication own unincorporated business income is limited to income types that are conceptually consistent with the definition of own unincorporated business income described in Standards for Income Variables (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1287.0) (cat. no. 1287.0), and are available in the underlying dataset. Data items included as own unincorporated business income are listed in Table 3 of the Explanatory Notes.

Pay As You Go (PAYG) payment summary

The annual summary provided by an employer to the Australian Taxation Office with respect to an employee, as part of the Pay As You Go taxation system. It records job level information reported by employers about the payments made to an employee, tax withheld, and the start and end dates for each job.

Person file

Part of the Linked Employer Employee Dataset, which lists all persons who submitted a tax return or who were provided with an individual non-business payment summary in relation to the reference year.

Profiled population

The profiled population is one of the two employer populations in this publication. Businesses and organisations in the profiled population have large, complex structures that are not suitable for statistical purposes at the Australian Business Number level. These organisations include one or more legal entity that form an enterprise group. The enterprise group is divided up into types of activity unit which form the unit of analysis in the profiled population.

Second concurrent job

The job with the highest employment income that is held concurrently with the first concurrent job. Other concurrent jobs not held concurrently with the first concurrent job may have higher employment income.

Secondary job

Any job held by an employed person, other than their main job. A person can have multiple secondary jobs.

Self-employment job

A job that is held by an owner manager of an unincorporated enterprise as a result of the relationship between the owner manager and their own enterprise. Due to data limitations a person can only hold one self-employment job.

Sex

The self reported sex of a person as recorded by the Australian Tax Office. Binary coding to female and not female is undertaken for privacy and confidentiality purposes.

Start and end dates

Start and end dates associated with each job as reported on individual payments summaries. These are in reference to the financial year only and do not necessarily reflect when a job was actually started or ended. For example, a job with a start date of 01 July 2015 may have been held before this date and a job with an end date of 30 June 2016 may be held after this date.

Statistical area level 2

The smallest geographical region used in the Jobs in Australia publication. Statistical area level 2 (SA2s) regions aim to represent a community that interacts together socially and economically. They are generally designed to be within the population range 3,000 to 25,000 persons, and on average have a population of approximately 10,000 persons.

Statistical area level 3

Geographical areas built from whole SA2s, which are designed for statistical output purposes and to provide a regional breakdown of Australia. Statistical area level 3 (SA3s) regions create a standard framework for the analysis of ABS data at the regional level that have similar regional characteristics, administrative boundaries or labour markets. SA3s generally have populations between 30,000 and 130,000 persons.

Statistical area level 4

Geographical areas built from whole SA3s, Statistical area level 4 (SA4) regions are specifically designed to reflect labour markets within each state and territory within population limits. In regional areas, SA4s tend to have lower populations (100,000 to 300,000), while in metropolitan areas, SA4s tend to have larger populations (300,000 to 500,000).

Total jobs held during the year

The total number of jobs held by a person during the financial year. This includes jobs that

were held concurrently and those that were not.

Type of activity unit

The statistical unit for more significant and diverse businesses in the profiled population. A type of activity unit (TAU) is a constructed unit that can practically group and report on homogenous production activities at the industry sub-division level.

In this publication, the TAU is used to represent employers in the profiled population.

Type of legal organisation

All legal entities on the ABS Business Register are classified according to their type of legal organisation, of which there are three types:

- incorporated private sector entities
- unincorporated private sector entities
- public sector entities.

The type of legal organisation indicates whether a business is part of the private or public sector and the type of ownership structure. For more information see the <u>Standard Economic Sector Classifications of Australia, 2008 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1218.0)</u> (cat. no. 1218.0).

Quality declaration

Institutional environment

For information on the institutional environment of the Australian Bureau of Statistics (ABS), including the legislative obligations of the ABS, financing and governance arrangements, and mechanisms for scrutiny of ABS operations, please see <u>ABS Institutional Environment</u> (https://www.abs.gov.au/websitedbs/d3310114.nsf/4a256353001af3ed4b2562bb00121564 /10ca14cb967e5b83ca2573ae00197b65!OpenDocument).

Data in this publication are sourced from a Linked Employer Employee Dataset (LEED).

The LEED includes tax data supplied by the Australian Tax Office (ATO) to the Australian Bureau of Statistics (ABS) under the Taxation Administration Act 1953, which requires that such data is only used for the purpose of administering the Census and Statistics Act 1905. Any discussion of data limitations or weaknesses is in the context of using the data for statistical purposes, and is not related to the ability of the data to support the ATO's core operational requirements.

The LEED also includes Australian Business Register (ABR) data supplied by the Registrar to the ABS under A New Tax System (Australian Business Number) Act 1999, which requires that such data is only used for the purpose of carrying out functions of the ABS. Any discussion of data limitations or weaknesses is in the context of using the data for statistical purposes, and is not related to the ability of the data to support the ABR's core operational requirements.

The LEED uses this data via the Business Longitudinal Analysis Data Environment (BLADE). Both the LEED and BLADE integrate Commonwealth data, and comply with the High Level Principles for Data Integration Involving Commonwealth Data for Statistical and Research Purposes.

Legislative requirements of information have been followed to ensure privacy and secrecy. In accordance with the Census and Statistics Act 1905, results have been confidentialised to ensure they are not likely to enable identification of a particular person or organisation.

All personal information is handled in accordance with the Australian Privacy Principles contained in the Privacy Act 1988.

Relevance

This publication provides data on the number and nature of jobs, the people who hold them, and their employers. This can be used to understand regional labour markets, or to identify the impact of major changes in local communities. It also provides new insights into the number of jobs people hold, the duration of jobs, and the industries and employment income of concurrent jobs.

The scope of this data includes individuals who submitted an individual tax return to the ATO, individuals who had a PAYG payment summary issued by an employer, and their employers.

Data conform as closely as possible to <u>ABS Income Standards (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1287.0)</u>.

Data is presented according to the geography of the <u>Australian Statistical Geography</u> <u>Standard (https://www.abs.gov.au/websitedbs/D3310114.nsf</u> /home/Australian+Statistical+Geography+Standard+(ASGS)) (ASGS), covering Statistical Area Level 2 (SA2), Statistical Area Level 3 (SA3), Statistical Area Level 4 (SA4), Greater Capital City Statistical Area (GCCSA), state/territory, and Australia.

Timeliness

The ABS receives tax data from the ATO approximately 16 months after the end of the financial year. This data then requires processing time to construct BLADE and to produce a coherent and clean persons dataset. These factors contribute to the long delay between the end of the financial year and the publication of statistics from the LEED.

Because taxation data may be submitted to the ATO after the ITR cut-off date, it may not be available at the time the ATO provides data to the ABS and is only added in future provisions. As such, annual data in the LEED can become more complete over time. This is estimated to have a slightly greater impact on the self-employed population than on the larger employee and employer populations, and a negligible impact overall.

Accuracy

Jobs in Australia is subject to the following sources of error:

- Conceptual misalignment. The Australian tax system is purpose-built and complex, and
 in some cases it is difficult to determine how a particular income tax item should be used
 to describe income standards, and in some cases the item can be a partial conceptual
 match. While all care is taken, some income items are subject to this type of validity
 error. Coherence with other sources indicates that this has a low impact on aggregate
 series.
- Measurement error. This is likely to be present in both person and business information used. Most measurement error is unable to be determined or corrected; however, coherence with other similar statistics demonstrates that this has a low impact on aggregate series.
- Incomplete information. Over half of owner manager of unincorporated enterprise
 (OMUE) jobs are in businesses for which complete information is not available.
 Occupation is missing or unable to be determined for approximately 21% of employed persons. While no bias has been detected in missing occupation information, a very slight bias has been detected in relation to OMUEs with missing industry. Information appears to be missing for a slightly higher proportion of OMUEs in Agriculture relative to OMUEs in other industries. The ABS advises caution when interpreting data subject to high rates of missing information.

The data in this publication has been perturbed to ensure confidentiality. This has a negligible impact on accuracy.

Jobs in Australia has an open revisions policy.

Coherence

There are differences between Jobs in Australia statistics and similar statistics produced by the ABS. When compared to other ABS sources, the number of jobs, the number of employed persons, and median employment income in this publication may differ due to:

- differences in the concepts, scope and methodology used in the LEED and those used in household and business surveys.
- the LEED containing a combination of administrative data collected for taxation purposes from both individuals and businesses, whereas other ABS data sources are compiled for the explicit purpose of producing statistics.
- unreported cash in hand payments, which are excluded from the LEED but may be included in household and business surveys.
- the LEED including information relating to the whole financial year, rather than a particular point in time.

The job counts in this publication differ from the filled job estimates in the Australian Labour Account (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6150.0.55.003) (cat. no. 6150.0.55.003). Most significantly, the Labour Account is a stock measure, while the LEED includes information relating to all jobs throughout the entire financial year, including jobs of short duration. The Labour Account also differs in that it is a compiled account. The numbers of filled jobs are sourced from business and household surveys, ABS business register information, defence force information, child workers information and estimates from the ABS Labour Force Survey for contributing family workers. The number of jobs in the LEED is compiled only from Personal Income Tax data.

Some changes to personal income derivations have been made since the publication of similar statistics in <u>Estimates of Personal Income for Small Areas (/statistics/labour/earnings-and-work-hours/personal-income-australia/latest-release)</u> (cat. no. 6524.0.55.002). This will result in minor differences between the two publications. Differences in underlying data treatments may also have a minor impact.

Interpretability

Job counts refer to all job relationships identified within the financial year and therefore don't reflect a single point-in-time measure. The explanatory notes and glossary for this publication provide further information that can help to interpret these statistics.

Accessibility

For more information about Jobs in Australia or accessing the LEED, please <u>contact us online</u> (https://www4.abs.gov.au/web/survey.nsf/inquiryform/) or phone us on 1300 135 070.

Abbreviations

Show all

dollars	\$
thousand	'000
Australian Business Register	ABR
Australian Bureau of Statistics	ABS
Australian Bureau of Statistics Business Register	ABSBR
Australian Capital Territory	ACT
Australian and New Zealand Standard Classification of Occupations	ANZSCO
Australian and New Zealand Standard Industrial Classification	ANZSIC
Australian Statistical Geography Standard	ASGS
Australian Taxation Office	ATO
Australia	Aust.
Business Longitudinal Analytical Data Environment	BLADE
catalogue number	cat. no.
Estimates of Personal Income	EoPI
Encrypted Tax File Number	ETFN
Enterprise Group	EG
excludes or excluding	excl.
Government	Govt
Greater Capital City Statistical Area	GCCSA
Goods and Services Tax	GST
Individual Tax Return	ITR
Legal Entity	LE
Linked Employer-Employee Dataset	LEED
Labour Force Survey	LFS
million	m
not published	np
number	no.
New South Wales	NSW
Nothern Territory	NT
Owner manager of unincorporated enterprise	OMUE
Pay as you go	PAYG
Personal Income Tax	PIT
Quarterly Business Indicators Survey	QBIS
Queensland	Qld

South Australia	SA
A2 Statistical Area Level 2	SA2
A3 Statistical Area Level 3	SA3
A4 Statistical Area Level 4	SA4
IH Survey of Income and Housing	SIH
CA Standard Economic Sector Classifications of Australia	SESCA
as. Tasmania	Tas.
Type of Activity Unit	TAU
O Type of Legal Organisation	TOLO
Tax File Number	TFN
p. Unincorporated	Unincorp.
ic. Victoria	Vic.
VA Western Australia	WA